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California Regional Water Quality Control Board

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Edmund G. Brown Jr.
Governor

May 18, 2011

NOTICE OF PROPOSED PROSPECTIVE PURCHASER AGREEMENT AND OPPORTUNITY FOR PUBLIC COMMENT (4057 and 4059 Goodwin Avenue, Los Angeles, California)

Glendale/Goodwin Realty I, LLC, The Kroger Co., and Ralphs Grocery Company (collectively referred to as "Ralphs") is considering purchasing and redeveloping a property in the County of Los Angeles referred to as the former Excello Plating property (hereinafter referred to as the "Property").

The Property is currently vacant and owned by The Spirito Family Trust ("Trust"). As a condition to its purchase, Ralphs is seeking a Prospective Purchaser Agreement (PPA) from the California Regional Water Quality Control Board, Los Angeles Region (Regional Board) relating to existing contamination at the Property. The PPA provides that, in exchange for taking certain actions to assure that existing waste in the onsite soil is removed from the Property, Ralphs would not be subject to liability related to, or arising from, existing contamination at the Property. Under the PPA, the work performed by Ralphs at the Property will be overseen and approved by the Regional Board.

This notice provides a brief summary of the Property's location, history, background, contamination discovered, the proposed cleanup, and opportunities for public involvement.

Property Location, History, and Background

The Property is located at 4057 and 4059 Goodwin Avenue, in the City of Los Angeles, California and encompasses approximately 0.96 acres. The property is identified by Los Angeles County Assessor's Parcel number 5593-020-020. The Property is located within the Glendale North and South Operable Units (GOU) and the Glendale Chromium Operable Unit (CrOU). The GOU and CrOU are part of the United States Environmental Protection Agency (USEPA) – Region 9 San Fernando Valley (SFV) Superfund Site.

A business known as Plating Engineering Company, Inc. (PECI) began metal plating operations at the northern portion of the Property on or before 1946. PEGI's building was destroyed by a fire in 1955, and a new building was built on the southern portion in 1956. Excello Plating Co., Inc. (Excello), a now suspended California corporation, occupied this building, and continued plating-related activities. Chemicals used at the facility by Excello included various acids, solvents, and metals. Excello ceased operations in 2004 and abandoned the site. Tanks and other plating equipment were removed from the site in December 2005 by a contractor hired by the current property owner, The Spirito Family Trust, and under the oversight of the Department of Toxic Substance Control (DTSC). An abandoned building, drum storage areas, and a wastewater clarifier remain at the Property.

Various environmental assessments performed on the Property have found soil and groundwater contamination resulting from the Property's use from plating activities. The chemicals of concern (COCs) include hexavalent chromium (Cr^{6+}), perchloroethylene (PCE), trichloroethylene (TCE), asbestos, and lead. These chemicals and materials present potential human health risks, including cancer and/or development risks, as indicated in the Proposition 65 list found at <http://oehha.ca.gov/prop65.html>. Threats to the surroundings exist until cleanup and redevelopment are performed.

In 2003, the Regional Board required Excello and the Trust, to assess, clean up, and abate the effects of discharges to soil and groundwater at the Property. The Trust, however, is unable to finance an adequate cleanup of the Property.

Proposed Cleanup and Prospective Purchaser Agreement

Ralphs proposes to purchase the Property from the Trust and remediate it in accordance with the Remedial Action Plan (RAP) conditionally approved by the Regional Board's Executive Officer on November 1, 2010. Ralphs will demolish the building at the Property, treat the contaminated onsite soil and soil vapor, and construct a private parking apron. Ralphs will remove the sources of pollutants in the onsite soil at the Property, in order to prevent the ongoing and future release of pollutants from the onsite soils at the Property to groundwater. Chemical reduction and cement stabilization were selected to treat Cr^{6+} in onsite soil, and soil vapor extraction was selected to remove PCE and TCE from the onsite soil. Ralphs intends to use the Property to expand the operations of the existing warehouse and distribution facility located on adjacent property that Ralphs already owns. Ralphs further proposes to install an engineered cap on the Property, which would provide surface cover, and may at some future time construct a warehouse on the Property.

Ralphs will not remediate the groundwater under the Property, which may continue to be contaminated by upgradient sources. USEPA is addressing the groundwater contamination under and in the vicinity of the Property as part of its conduct of proceedings through the SFV Superfund Site.

Ralphs requests that, in exchange for its remediation of the onsite soil, the Regional Board enter into a Prospective Purchaser Agreement (PPA), which includes mutual agreements, including an agreement not to sue Ralphs for any presently known existing contamination/pollution at, on, or under the Property. The purpose of the Agreement is to settle and resolve, subject to certain reservations and limitations in the Agreement, the potential liability of Ralphs that would otherwise result from any of the Ralphs entities becoming the owners of the Property.

Regional Board staff believe the proposed Agreement is fair, reasonable and in the public interest. The Agreement benefits the public interest by ensuring the timely completion of the Remedial Action Plan, by removing soil contamination that is contributing to and exacerbating groundwater contamination, by revitalizing an underutilized site, and by enhancing economic value to the Property and its surrounding areas. Further, it allows USEPA's conduct of the proceedings relative to the SFV Superfund Site, in particular with reference to the regional groundwater contamination, to proceed more effectively.

Public Comment Period (May 18, 2011 to June 17, 2011)

The Regional Board is holding a 30-day public comment period on the proposed PPA beginning May 18, 2011 and ending on June 17, 2011. Persons wishing to comment on the proposed PPA and related documents are invited to submit them in writing. All written comments must be *received* at the Regional Board office no later than **5:00 p.m. on June 17, 2011**. Untimely submittal of comments will not be allowed or accepted. Written comments should be sent to the attention of:

Larry Moore
California Regional Water Quality Control Board, Los Angeles Region
320 West 4th Street, Suite 200
Los Angeles, CA 90013

Comments may also be emailed to Mr. Moore at lmoores@waterboards.ca.gov. Written comments submitted through email are requested to be transmitted in Microsoft Word format.

Community Meeting

The Regional Board and the United States Environmental Protection Agency have coordinated public participation activities to educate, inform, update, and receive questions/comments regarding implementation of the Remedial Action Plan and the proposed Agreement between the Regional Board and Ralphs. Accordingly, a public meeting has been scheduled to provide the community an opportunity to learn about the Property and make comments or provide concerns related to proposed cleanup activities. The public meeting will be held at:

Date: May 26, 2011
Time: 6:00 P.M.
Place: Glendale Public Library
222 East Harvard Street
Glendale, CA 91205

Response to Comments

After the close of the public comment period, the Regional Board will prepare a Response to Comments document. This document will include all of the comments received for the PPA. It will also provide the Regional Board staff's response to those comments. A copy of the final Response to Comments document will be placed in the Information Repositories (see below) upon completion.

Regional Board Consideration

The Regional Board is scheduled to consider authorizing its Executive Officer to sign the proposed PPA during its regularly scheduled board meeting on:

Date: July 14, 2011
Time: 9:00 a.m.
Place: Metropolitan Water District of Southern California
700 North Alameda Street, Los Angeles, CA 90071

Interested persons are invited to attend the board meeting and present oral comments on this matter. Oral comments may be limited to 3 minutes each.

Please check the Regional Board's website (<http://www.waterboards.ca.gov/losangeles/>) for the most up-to-date meeting location as it is subject to change. If there should not be a quorum on the scheduled date of this matter, this matter will be automatically continued to the next scheduled meeting. A continuance of this item will not automatically extend the comment deadline below.

Information Repositories

The PPA and related documents can be reviewed at the following locations:

Regional Board's Downtown Los Angeles Office
320 West 4th Street, Suite 200
Los Angeles, CA 90013
(213) 576-6600

Glendale Public Library
222 East Harvard Street
Glendale, CA 91205

The documents are also available for review and download on the Regional Board's website at:
<http://www.waterboards.ca.gov/losangeles/>

For More Information

If you have any questions regarding the Property or the PPA, please contact:

Larry Moore
California Regional Water Quality Control Board, Los Angeles Region
320 West 4th Street, Suite 200
Los Angeles, CA 90013
(213) 576-6730
lmoore@waterboards.ca.gov